



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, OCTOBER 11, 2006
WWW.USDOJ.GOV

CRM
(202) 514-2008
TDD (202) 514-1888

FORMER DOD EMPLOYEE INDICTED FOR ACCEPTING ILLEGAL GRATUITY FROM IRAQI CONTRACTOR

WASHINGTON – A former Department of Defense (DOD) employee has been indicted on charges of accepting an illegal gratuity while deployed in the Republic of Iraq. Bonnie Murphy, who was a civilian disposal officer at Camp Victory, Iraq, allegedly accepted jewelry from an Iraqi contracting firm for her role in helping it receive and maintain three U.S. Army service contracts.

Murphy, 59, of Indialantic, Fla., deployed to Iraq in December 2003 as part of a Defense Reutilization and Marketing Service (DRMS) team. Murphy and other DRMS employees were charged with managing and disposing of surplus DOD property, including hazardous waste.

A federal grand jury in Orlando, Fla., today returned a two-count indictment charging Murphy with one count of accepting an illegal gratuity and one count of accepting compensation to her federal salary. According to the indictment, Murphy was responsible for identifying the needs of and requesting service contracts for the collection, removal, storage, and disposal of property and materials from U.S. Army facilities. Murphy also had the authority to recommend specific contractors and act as the contracting officer's representative (COR) for the contracts. As a COR, she authorized contractors to perform work, monitored their performance, and certified their invoices—allowing them to receive payment.

From July through December 2004, the indictment alleges, Murphy accepted several pieces of jewelry. The items, worth approximately \$9,000, came from the owners and employees of an Iraqi contracting company. Murphy allegedly accepted the items because of her numerous official acts that benefitted the company, referred to in the indictment as Company A. Between July and October 2004, Company A received three service contracts from the U.S. Army: one for the disposal of hazardous waste, a second for the removal of contaminated soil, and a third for the removal and storage of used lithium batteries. Before each contract was awarded, Murphy wrote a Statement of Work requesting that the Army find and hire an outside contractor to perform the service. She orally recommended that Company A be hired for each contract, and she wrote a sole source justification letter recommending that it receive the lithium battery contract without undergoing a competitive bidding process.

Accepting an illegal gratuity carries a maximum penalty of two years in prison and a \$250,000 fine. Accepting supplementation to a federal salary carries a maximum penalty of five years in prison and a \$250,000 fine. An indictment is merely an accusation. All defendants are presumed innocent until proven guilty at trial beyond a reasonable doubt.

The case was investigated by the Criminal Investigation Division and the Defense Criminal Investigative Service of the U.S. Army. The case is being prosecuted by John Pearson

of the Public Integrity Section of the U.S. Department of Justice, which is headed by Acting Section Chief Edward C. Nucci.

#

06-696